

INSTRUCTIONS FOR REPLACEMENT TAX RETURN FORM B

1. Fill out the entity name, address, contact person and phone number. The contact person should be an individual that can answer any questions regarding this report. If any step in this report does not apply to your company a -0- (zero) should be entered on that line. All reports must be returned to the Department of Revenue at the address listed at the bottom of the Attestation page.

Please review the exemptions in the law and exclude those items which were not taxable. **See next page for these exemptions.**

2. **Step 1:** Report the total taxable therms of natural gas delivered to consumers within each competitive service area. If you have delivered to more than two service areas, attach additional sheets utilizing the same format for calculating the delivery tax. The therms delivered to consumers should include those delivered and consumed at utility properties. This is pursuant to the definition of delivery in 437A.3(4). The 2015 delivery tax rates for each competitive service area are published in the December 9, 2015 edition of the Iowa Administrative Bulletin. The bulletins can be accessed online at: <https://www.legis.iowa.gov/law/administrativeRules/bulletinSupplementListings>

Step 1A: Report the total taxable therms of natural gas delivered during 2015 to *new electric power generating plants built or sold after January 1, 2003* within each competitive service area.

3. **Step 2:** Report the total taxable therms of natural gas consumed by a taxpayer during 2015 within each competitive service area. Step 2 should be filled out by those taxpayers who have bypassed the local distribution utility in receiving a delivery of natural gas.

Step 2 does not apply to natural gas consumed by a person, other than electric company, natural gas company, electric cooperative, or municipal utility acquired by means of facilities owned by or leased to such person on January 1, 1999, which were physically attached to pipelines that are not permitted pursuant to Chapter 479 and used by such person for the purpose of bypassing the local natural gas company or municipal utility.

4. **Step 3:** Record the replacement tax liability reported in steps 1, 1A, and 2 and calculate the total amount.
5. The Attestation should be completed and signed by an authorized representative of the entity that can take responsibility for the accuracy of this report. The authorized representative may be an officer or employee of the entity making this report.
6. If you complete the report using the electronic version, please note there are two tabs at the bottom of the screen titled Form B and Attestation. You will need to click on each tab to complete that portion of the

report. The instructions for submitting the form are located on the Attestation page. If you have any questions, please contact the Property Tax Section at IDR-PropTax@iowa.gov or (515) 281-4040.

EXEMPTION INSTRUCTIONS - FORM B

Exemptions for Step 1

1. Delivery of natural gas for consumption outside of Iowa.
2. Delivery of natural gas to a non-consumer. Example, delivery of natural gas to another utility which will deliver natural gas to a consumer on their lines.
3. Delivery of natural gas to a city from such city's municipal utility is not subject to the replacement delivery tax imposed under subsection 1, paragraph "a", and subsection 2, provided such natural gas is used by the city for the public purposes of the city. See Iowa Code 437A.5(7).